TOGETHER
TOWARDS
A CIRCULAR
ECONOMY

SUSTAINABILITY REPORT 2017
INDEX

1 Introduction P2
2 Euro Pool Group P4
3 Creating shared value P6
4 Sustainability at Euro Pool Group P8
5 Pillar 1 - People P16
6 Pillar 2 - Planet P20
7 Pillar 3 - Partners P26
8 Glossary P30
9 Colophon P31

INTRODUCTION

Reuse and sharing have been the core of the Euro Pool Group business model for the past 25 years. In close collaboration with our stakeholders, we contribute to the transition towards a circular economy by sharing the benefits of our reusable packaging solutions across the supply chain.

We are continuously standardising and integrating our services in our customers’ logistics. With a growing network of approximately 178 service centres, covering 27 countries, we offer our customers a reliable, sustainable and efficient logistic services up-and-down the supply chain.

In a resource-constrained world, there is a strong urgency to reduce waste. The circular economy is both an important societal trend, and to us a proven business opportunity. We offer circular solutions to our customers and supply chain partners.

At Euro Pool Group we integrate Corporate Social Responsibility (CSR) into our vision and strategy. We are clear about our mission and objectives, and transparent about our results and progress. This is also reflected in our first Sustainability Report, that we herewith proudly present.

I am pleased to report that we have made good progress. One example for the Euro Pool System division is the opening of our depot in Barendrecht in November 2017. In this state-of-the-art facility, the machines we use are designed by Euro Pool System’s own employees. We use the latest technology in identifying and counting the trays, removing labels, quality control and automatic sorting. Thereby ensuring greater energy and resource efficiency in the fresh supply chain, and a high degree of food safety and hygiene. An example for the LPR division is our commitment – since 2010 – to sustainably procure wood through our PEFC Chain of Custody certification. LPR has strengthened its engagement towards sustainable forest management by supporting the French reforestation fund ‘Plantons pour l’avenir’. This allows us to offset the carbon footprint of our activity for some of our biggest customers.

Our main ambition is to reduce the carbon footprint per movement by 20% in 2025, compared to 2017. We align our ambitions to the UN’s Sustainable Development Goals to even better connect and collaborate with partners and create positive impact.

Our employees, suppliers and customers throughout Europe contribute all to our result. Let us continue the transition towards a circular economy by further developing a more sophisticated supply chain that is efficient, sustainable and above all circular.

Gerjo Scheringa
CEO Euro Pool Group
Over the past 25 years, Euro Pool Group has become Europe’s leading logistics service provider of reusable logistic carriers. Every day, producers, transporters, processing companies and retailers enjoy the efficiency and sustainability benefits of our reusable trays and pallets. We offer circular solutions that reduce single-use packaging waste, carbon emissions and food waste in the supply chain.

Euro Pool Group (EPG) consists of Euro Pool System (EPS) and La Palette Rouge (LPR): two divisions with their own history and expertise. This report covers the activities of both divisions, unless otherwise explained.

EPS provides logistical services for reusable trays, based on rental and return, to European growers of fresh products (such as fruit, vegetables, meat, fish and convenience meals) and their retail partners.

LPR provides logistical services for reusable pallets, based on rental and return, to manufacturers and distributors in the fast-moving consumer goods (FMCG) sector in the European market.

Circular economy: reduce, reuse, repair and recycle
A circular economy offers a solution to global challenges such as resource scarcity and the impact of waste and climate change. Euro Pool Group’s pooling system of reusable logistic carriers is a perfect fit as it comprises all circular elements: reduce, reuse, repair and recycle.

With a network of 178 service centres, covering 27 countries, EPG provides reliability, flexibility, sustainability and efficiency throughout the supply chain. Our IT systems track the logistic flow of pallets and trays, and we organise optimal delivery and return systems which reduce immobilisation time, transportation costs and CO₂ emissions. As our service centres are located in key production areas, the need for transportation is further reduced.

EPS
- 351,000-ton CO₂ savings in the fresh supply chain by EPS trays*
- 32-ton food waste reduction of fresh fruits & vegetables due to maximal product protection by EPS trays

LPR
- > 83 million pallet movements

EPS
- > 1 billion tray movements in retail

EPS
- € 203 million turnover

LPR
- € 338 million turnover

* based on the Fraunhofer study titled "The Sustainability of Packaging Systems for Fruit and Vegetable Transport in Europe based on LCA - Cycle Analysis" (2017)
It is our mission to create value by driving efficiency in the retail supply chain together with our suppliers, customers and partners.

**A circular solution in 8 steps**

1. **Resource efficiency**
   - Our trays are made from virgin plastic to ensure high-quality endurance. We investigate the possible use of recycled plastic and bioplastics.

2. **Designed to last**
   - We ensure continuous improvement of the functionality and robustness of trays and pallets. We innovate with suppliers to make trays thinner and easier to fold.

3. **Optimised delivery**
   - Our service centres are located in key production areas in order to minimise transportation to customers. Based on information within the supply chain we use empty trucks from retailers to our customers as much as possible and minimise extra transportation for efficient delivery. We help customers to reduce CO2 emissions and monitor tree impact.

4. **Renting and sharing trays and pallets**
   - Empty trays and pallets are packed with food products by our customers. Orders are selected in the retailer’s distribution centre for transportation to the shops. The trays and pallets are unpacked in the shop. We help retailers in reaching their goals with regard to circular packaging.

5. **Renting and sharing trays and pallets**
   - Chains are selected in the retailer’s distribution centre for transportation to the shops. The trays and pallets are unpacked in the shop. We help retailers in reaching their goals with regard to circular packaging.

6. **Optimised return logistics**
   - Our IT systems track the tray and pallet flows throughout the supply chain. We organise optimal return systems to our service centres, making use of empty return-trucks as much as possible, which reduces immobilisation time, transportation costs and CO2 emissions.

7. **Optimising lifespan of trays and pallets**
   - All empty trays and pallets that return from the shops to the service centres are recorded, checked, sorted, washed, repaired where necessary and put back into the circuit for a new rotation. 99% of trays are reused and make on average 5 rotations a year. 95% of pallets are reused and make on average 4 rotations a year.

8. **Recycling**
   - We monitor trays and pallets end-of-life.

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**FACT**

- 100% of trays are recycled
- 1 billion tray movements in 2017
- Trays last for over 7 years
- >83 million pallet movements in 2017
- 74% of the wood is PEFC certified
- 1 billion tray movements in 2017
- 100% of trays are recycled
- Trays last for over 7 years
- Pallets last for over 5 years
- 99% of trays are reused and make on average 5 rotations a year
- 95% of pallets are reused and make on average 4 rotations a year
To identify the priorities of our sustainability strategy, we asked our customers, partners and employees which topics they find most relevant for EPG. This analysis resulted in a materiality matrix indicating the relevance of topics for external stakeholders and for EPG.

Six topics are marked as most relevant from both perspectives and form the core of our sustainability strategy. We clustered these six topics in three strategic pillars.

**People**
- Employee training and development
- Employee health and safety

**Planet**
- Lower carbon footprint
- Sustainable transport
- Energy efficiency

**Partners**
- Pro-active collaboration with stakeholders

**Sustainable Development Goals**
With our circular business model, we aim to contribute to the Sustainable Development Goals (SDGs). These universal goals for 2030 provide a framework, agreed on by all members of the United Nations, to achieve and monitor progress and collaborate across sectors. With our focus on the well-being and personal development of our employees, we contribute to SDG 8. Our circular services of reusing and sharing packaging solutions save resources, use less energy and prevent waste, contributing to SDGs 7, 8, 12 and 13. In close collaboration with partners in the supply chain, we achieve more impact than if we would only improve our internal operations. This contributes to SDG 17 and accelerates progress on the other SDGs.
People

Pillar 1

Employee training and development
We facilitate career & personal development support for our 1,086 employees and offer training programmes.

Employee health and safety
We invest in a safe working environment and strive to ensure that our colleagues, contractors and visitors get home safe every day. We train our employees on health and safety measures to minimise accidents.

Planet

Pillar 2

Lower carbon footprint
We reduce Greenhouse gases emissions through sustainable procurement, resource efficiency, optimal product and process design, waste prevention.

Sustainable transport
We ensure supply chain efficiency by locating our service centres in key production areas, and by using existing truck capacity and optimal transport planning, thereby lowering the number of transport movements.

Energy efficiency
We reduce gas and electricity consumption in our EPS service centres, focussing on the equipment and processes we use to wash our trays.

My mission
To strengthen and develop our teams and realise a learning and training environment

My mission
Finding smart solutions to make our operations more energy efficient

My mission
Encouraging the use of sustainable multi-modal transport options for the delivery and return of our trays, such as the Cool Rail project

Sustainability is highly valued by the new generation and an obvious condition to join a company.

“Our philosophy is to optimise the use of existing capacity in the supply chain, resulting in efficiency as well as sustainability advantages.”

“We worked on the implementation of the efficient drying solution project for the past two years and managed to cover 30-40% of our washing volumes. This significantly reduced our energy consumption.”

“We are strongly convinced that sustainability is a must and forms an integral part of our operations.”
Pre-active collaboration with stakeholders
We contribute to circular economic growth throughout the fresh food and FMCG supply chain. By using and sharing trays and pallets as circular logistic carriers, we help our customers to reduce their environmental impact.

Compliance & certification
In all our countries of operation, compliance with local laws and regulations is included in our management systems. We use certification schemes to meet relevant standards and to provide evidence thereof.

Speak-up campaign
In 2017 we introduced a code of conduct and whistle blower policy, and re-launched them internally under the campaign name ‘Speak Up’. Every EPG service centre, subsidiary and office across our countries of operation received information to spread the message and explain it to the employees. In case of a suspicion of misconduct, every employee can report this anonymously via an external party.

Corporate health & safety and managing environmental risks
To prevent accidents, we work with KPI’s on four dimensions in our EPS service centres across Europe. These KPI’s on Safety, Health, Environment and Quality (SHEQ) have a preventive purpose and allow us to act pro-actively. In 2018 we will switch from our current management system OHSAS 18001 (Occupational Health and Safety Assessment Series) to ISO 45001 for the service centre in Valencia, Spain. ISO 45001 focuses on health, safety and psychosocial well-being of employees. We aim to implement this transition in Bornheim, Germany, by 2019 and in the remainder of our service centres in the Western European region by 2020. To manage environmental aspects we are planning to implement ISO 14001 for Zellik, Belgium and Bornheim, Germany. Further roll-out for our own depots will take place in the coming 3-4 years. LPR conducts a detailed audit on Safety, Health, Environment and Infrastructure management in each service centre each year. In addition, our inspection teams continuously visit the service centres in each country to check their compliance while also executing pallet quality controls.
Governance
A designated team, under supervision of Group Marketing Manager Annemieke van der Heijde, ensures that these topics are incorporated in the overall strategy of EPG. The steering committee consists of several pillar owners who embed and manage the sustainability activities and opportunities on a local level throughout the EPS and LPR divisions. Top management participates in the steering committee and holds the overall responsibility.

Together with our partners
We collaborate closely with our stakeholders and partners to improve our impact throughout the supply chain.

Stakeholders

<table>
<thead>
<tr>
<th>Suppliers of trays and pallets</th>
<th>EPS co-operates with tray suppliers on innovations such as the folding banana tray with Beluplast, and obtaining a food licence to recycle old trays into new trays.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customers</td>
<td>LPR procurement is based on a network of selected suppliers. They have to comply with the highest requirements in terms of quality and they guarantee a responsible sourcing of wood in accordance with LPR’s PEFC Chain of Custody certification.</td>
</tr>
<tr>
<td>Transport companies</td>
<td>- Information sharing is a key element for optimising our logistical services throughout the supply chain. - We look for opportunities to reduce the carbon footprint of transport by using empty return trucks, multi–customer optimisation and partnering on multi–model transportation options such as Cool Rail.</td>
</tr>
<tr>
<td>Retailers</td>
<td>- We collaborate with our retail partners, enabling them to reach their targets on circular packaging and a lower carbon footprint. - Information sharing is a key element for optimising our logistical service throughout the supply chain, and results in increased efficiency and cost savings for retail partners.</td>
</tr>
<tr>
<td>External service providers</td>
<td>- Our network of service centres is a cornerstone of our circular model. We collaborate closely with these business partners to build a qualitative and efficient service. They have to comply with the health, safety and environmental requirements defined in our code of conduct which we audit yearly.</td>
</tr>
<tr>
<td>Knowledge partners</td>
<td>- We conduct a research on the use of bioplastics with Wageningen University in the Netherlands. - We collaborate with DUO Plast Technology Centre, Germany, for operational optimisation. - For food and environmental safety, we conduct research with Mérieux NutriSciences / Silliker, Triskelion, Groen Agro Control and Intertek in the Netherlands.</td>
</tr>
<tr>
<td>NGO’s</td>
<td>- The EPG Sports Challenge resulted in 9,191 days and 18 hours of sportive activities by colleagues for which a donation will be made to charity. - LPR supports the reforestation project ‘Plantes pour l’avenir’, to compensate for CO2 emissions related to LPR’s transport activities.</td>
</tr>
<tr>
<td>Employees</td>
<td>- In 2017 we established our CSR strategy and started to deliver on its implementation, with the support of our pillar owners. In the coming years we will engage all our employees to share our CSR ambitions and results.</td>
</tr>
</tbody>
</table>

Collaboration and Dialogue

- EPS co-operates with tray suppliers on innovations such as the folding banana tray with Beluplast, and obtaining a food licence to recycle old trays into new trays.
- LPR procurement is based on a network of selected suppliers. They have to comply with the highest requirements in terms of quality and they guarantee a responsible sourcing of wood in accordance with LPR’s PEFC Chain of Custody certification.
- Our customers expect advanced standards regarding Occupational Health and Safety and Environment. We pay great attention to complying with these standards to which we fully adhere.
- We offer customers a solution which generates sustainability benefits such as increased efficiency, reduced food waste and lower CO2 emissions. Our LPR tool monitors and reports the carbon savings to customers.
- Information sharing is a key element for optimising our logistical services throughout the supply chain.
- We look for opportunities to reduce the carbon footprint of transport by using empty return trucks, multi–customer optimisation and partnering on multi–model transportation options such as Cool Rail.
- We collaborate closely with our stakeholders and partners to improve our impact throughout the supply chain.
- We collaborate with our retail partners, enabling them to reach their targets on circular packaging and a lower carbon footprint.
- Information sharing is a key element for optimising our logistical service throughout the supply chain, and results in increased efficiency and cost savings for retail partners.
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- For food and environmental safety, we conduct research with Mérieux NutriSciences / Silliker, Triskelion, Groen Agro Control and Intertek in the Netherlands.
- The EPG Sports Challenge resulted in 9,191 days and 18 hours of sportive activities by colleagues for which a donation will be made to charity.
- LPR supports the reforestation project ‘Plantes pour l’avenir’, to compensate for CO2 emissions related to LPR’s transport activities.
- In 2017 we established our CSR strategy and started to deliver on its implementation, with the support of our pillar owners. In the coming years we will engage all our employees to share our CSR ambitions and results.
People are our most important asset. Therefore we encourage professional and personal growth, and take measures to improve the safety and well-being of our employees.
We are keen on the development and well-being of our 1,086 employees in our entire organisation. We facilitate training programmes and take measures to improve the health and safety of our employees.

The main explanation for the high number of male employees is the high degree of physical work in our service centres. For the next five years we aim to realise a participation rate of 25% of female employees.

Employee training and development

Training
Over the past three years, EPG has executed a Leadership Development Programme in which 85 people participated. Employees in our service centres received operational trainings such as Lean Six Sigma. LPR started in 2017 with an e-learning module to capitalise on business knowledge and to develop and reinforce skills. 185 employees completed these training modules. In 2018 the e-learning module is also provided to EPS employees.

Employee health and safety

Working together with external service providers
We feel responsible for the working conditions at the facilities of external service providers and we collaborate with them to implement health and safety measures and check on labour practices. For instance the service centre in Valencia, Spain, received the OHSAS18001 certification in 2017. We take precautions to ensure a safe working environment and train our employees on health and safety measures to minimise accidents.

Safe working place
To avoid accidents, we have taken slip, trip and fall prevention measures in the internal EPS service centres. For instance, by treating the floors around the washing facilities to reduce the slip risk. We also started a project to improve the stability of our palletisation.

Healthy employees
Once a year all EPG employees are offered a health check. The EPG Sports Challenge also contributes to the goal of staying healthy and it supports a good cause in the meantime. Employees submitted a total of 919 days and 18 hours of sports activities, for which EPG donates to a charity.

Employee engagement
Once a year LPR organises a Red Day in which all subsidiaries take part in the same activity focused on local sustainability and charity projects. To celebrate our 25th anniversary as EPG, we organised a group event in combination with activities on a local level. In 2018 we plan to actively engage employees in our sustainability strategy and promote local activities.

“I’m proud of all the colleagues that participated in the Leadership Development Programme, which we continue in 2018.” Marloes de Haas, Group HR Manager.

“Together with my SHEQ-colleague Anne de Middelaer, I am pleased to see the benefits of our safety measures and new risk assessment tool. As a result, the number of accidents significantly reduced in our service centre in Zellik, Belgium.” Marloes de Haas, Group HR Manager.

MARLOES DE HAAS

Employees:
1,086 at EPG
779 at EPS
307 at LPR

Absence rate: 3.45%

Employees: 17% female
83% male

FACT

85 participants in the Leadership Development Programme

FACT

EURO POOL GROUP CHALLENGE
Sharing the benefits of sports

FACT

PILLAR 1: PEOPLE

Employees: 1,086 at EPG
779 at EPS
307 at LPR

FACT

Employees: 17% female
83% male

FACT

Absence rate: 3.45%
To minimise empty kilometers in the transportation of our logistic carriers we closely cooperate with our customers for optimal transport planning.
PILLAR 2: PLANET

Our circular business model focuses on sharing and reusing logistic carriers. By ensuring supply chain efficiency, minimising truck movement and exploring alternative modes of transport, we lower our carbon footprint and that of our customers. Additionally, we focus on resource efficiency and the avoidance of waste.

Lower carbon footprint

In 2017 we have calculated our full scope carbon footprint\(^1\). This is a unique approach in which we take our own operations, and both the upstream and downstream activities from our partners into consideration. In addition to taking measures in our own operations, collaborating with partners to reduce emissions in transportation yields most positive impact.

At both divisions, transportation (our own transportation and that of our customers) has the highest impact (51% in total). The impact of our own operations (such as service centres and offices) is higher at EPS compared to LPR. Partly because washing the trays requires more energy than repairing the pallets.

Our aim is to reduce our carbon footprint with 20% per movement by 2025, compared to 2017. We do this mainly by implementing more sustainable transportation options and increasing the energy efficiency of our own operation. Additionally, the reforestation project, optimal product design and reduction of food waste contributes to a lower carbon footprint.

Renewable energy

For 2018 EPS plans to sign green energy contracts from renewable sources, starting with its operations in Spain and followed by other European markets.

Reforestation commitment

LPR has signed an agreement for the reforestation of 15 hectares of forests per year with the association ‘Plantons pour l’avenir’ in France. This initiative has a dual objective: compensating part of the carbon footprint of LPR’s transport activities in partnership with some of our customers, as well as contributing to the preservation and development of forest ecosystems that are vital for LPR’s business.

Optimal design

We continuously improve the functionality and robustness of our trays and pallets. Together with our suppliers, we innovate to make trays thinner and easier to fold, thereby significantly reducing truck movements and CO\textsubscript{2} emissions. Our pallets are composed of 100% solid wood and contain no composite blocks. This reduces chemical use and it makes our pallets stronger and better recyclable.

Minimal food waste

The use of our reusable logistic carriers results in far less product damage in the fresh food and FMCG supply chain, compared to alternatives. This significantly reduces waste and associated CO\textsubscript{2} emissions. In the case of single-use logistic carriers, approximately 4% of the transported carriers is damaged on the way to the consumer. With reusable packaging that figure is only 0.1%.

Sustainable transport

Our service centres are located in key production areas in order to minimise transportation to our customers. Our philosophy regarding sustainable transport is to optimise the use of the existing capacity in the supply chain. Many trucks return empty or only partially loaded. This inefficiency leads to many unnecessary trucks on European roads. Based on information within the supply

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\(^1\) The presented carbon footprint includes all scope 1 and 2 emissions of Euro Pool’s own operations and all relevant scope 3 upstream and downstream emissions. All transportation flows are included except for the retail store returns to the jointly operated (by retailers and EPS) RSU’s.

The footprint has been set up in accordance with the Greenhouse Gas Protocol, except for the end-of-life calculation for EPS where the Product Environmental Footprint Category Rules Guidance (May 2018) is applied.

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FACT

By 2025, 5% of our pallet carbon footprint will be compensated by reforestation

FACT

Only 0.1% product damage due to reusable trays\(^2\)

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\(^2\) Fraunhofer study ‘The Sustainability of Packaging Systems for Fruit and Vegetable Transport in Europe based on Life-Cycle Analysis’ (2017)
chain, we optimise the use of truck capacity of our business partners, such as retailers and customers from the FMCG industry, to return empty trays and pallets to our service centres. This minimises transportation and reduces CO2 emissions, whilst ensuring optimal reliability, flexibility, sustainability and efficiency in the supply chain. LPR promotes carriers with greener truck fleets and concrete environmental engagement such as Charte Ademe in France, FTA in UK and ISO14001.

**Multimodal transport innovation: Cool Rail**
Another supply chain innovation we developed in this area is Cool Rail, a refrigerated rail service between Spain and Northern Europe, providing shippers of fresh produce with a more sustainable alternative to road transport. It can reduce CO2 emissions by 70% and will eventually lead to cost savings of 20-30%. The initiative was successfully piloted in 2017. This unique and challenging partnership between growers, transport providers, retailers, railway companies and governmental organisations in multiple European countries, will be further developed in 2018.

**Carbon footprint monitoring for customers**
Via the online LPR customer portal, customers can calculate the carbon footprint of our reusable pallets. Based on the number of pallets rented per year, we calculate the total carbon footprint, as well as the emissions avoided by opting for a reusable pallet instead of a single-use solution.

**Energy efficiency**
At EPS, gas and electricity efficiency is an important focus area, starting with the equipment to wash our trays. We have developed centrifuges that dry our trays, using only 10% of the energy required for a conventional blower. This project covers 30-45% of our washing volumes. Another aspect is the gas required to heat-up the water. We developed a special washing process that minimises the temperature, thereby significantly reducing our energy consumption. By doing so, we have managed to turn high energy consuming processes into more sustainable solutions. Both innovations have been implemented in several key sites and a roll-out plan is in place for 2018.

**Reducing operational waste**
Besides empty trays, our return logistics services also collect various other return streams from our retail customers, and make sure these are recycled. This means less transport is required to the shops, thereby reducing the carbon footprint of our customers.

**Water reuse and reduction**
Regarding the water consumption at the EPS service centres, we have initiated a pilot project to reuse the water used to wash the trays. By purifying the water, we reuse 70% of the water which otherwise would have been disposed. This saves approximately 59 million litres of water on a yearly basis. New service centres like Barendrecht and Zellik have implemented innovative washing techniques, to minimise water use. In the coming year we will develop our target and actions to further reduce the water consumption necessary to wash our trays.

FACT
107 kg of CO2 equivalent was the footprint per movement of an LPR pallet in 2017

FACT
90% reduction in energy consumption for drying the trays by a newly developed centrifuge

FACT
269 kton CO2 equivalent is the total EPG carbon footprint for 2017

FACT
Our aim is to reduce our carbon footprint with 20% per pallet movement by 2025, compared to 2017

FACT
70% of the water is reused in a reutilisation project
In 2010 LPR became the first PEFC certified pallet pooler in Europe offering their partners a sustainable answer to logistic carriers in the FMCG supply chain.
PILLAR 3: PARTNERS

Together with our partners we focus on reducing the use of resources, responsible sourcing and optimal repair and recycling of trays and pallets.

Recyclability of our plastic trays
Our EPS trays are made from virgin plastic to ensure a long lifespan of approximately 7 years and are 100% recyclable. In 2017 we have initiated a project to investigate the use of recycled plastic and bioplastics.

Procurement of sustainable wood for pallet manufacture and repair
LPR is continuously working with its suppliers to promote better sourcing and business practices. Operating in 21 European countries, LPR only sources pallets from EU countries, and works with both local pallet producers and local sawmills to produce wood for repair.

In 2010, LPR became the first pallet pooler to be PEFC certified. LPR controls the chain of custody, thereby guaranteeing that the wood used for its pallets and for pallet repair comes from responsibly managed forests. In addition, LPR promotes pallet manufacturers or sawmills that are PEFC certified. In 2010 only 22% was certified, this has grown to 74% in 2017. It is our ambition to source 100% PEFC certified wood by 2025.

Ebaki, example of a partner in responsible pallet supply
Ebaki is one of the largest wood processing companies in Spain, producing an average of 150,000 pallets a year. We have worked with Ebaki since the start of our Spanish operations in 2005. Ebaki is located in the Basque Country, a region where forests cover a big part of the territory. Its plant is located in the heart of a sustainably managed forest. These sustainable principles are strongly implemented in this part of Spain, in particular through PEFC certification.

There is a strong coordination at the regional level between the different industries of the wood supply chain, from the forest owners to the sawmills and the manufacturers.

“We are a cooperative, the 48 co-workers are also the owners of the company. The logs are mainly sourced from the region, of which 60% is PEFC certified. People with disabilities represent up to 2% of our employees, in-line with Spanish regulations,” Eduardo Marquez, General Manager of Ebaki.

Supporting CSR ambitions of retail partners
Colruyt Group is a retail group active in the distribution of food and non-food products in Belgium, France and Luxembourg. It comprises about 500 stores under its own management and over 600 affiliated stores. “Sustainable entrepreneurship is in our DNA. Next to sustainable sourcing of our products, we also continuously work to reduce the environmental impact of our products and services. Against this backdrop Colruyt operates as an EPS depot; we clean and sort trays. This means that our suppliers can pick-up trays with their reverse logistics. By doing so we ensure more efficient logistics, reduce our environmental impact and also ensure a revenue stream for our business. For 2018 we are also exploring the use of folding trays, through our partnership with EPS.” Dirk Leemans, Head Centre of Excellence Supply Chain Colruyt Group.
**GLOSSARY**

**Absence rate**
Number of lost employee working hours, whether work-related or not, due to illness and injuries as a percentage of the scheduled working hours. Maternity leave is excluded.

**BRC Global standard Packaging and Packaging Materials**
Helps to develop and manufacture safe, legal packaging materials that meet the expected quality levels.

**BRC Global standard Storage and Distribution**
The objective of the BRC Global Standard is to ensure that product integrity during the storage and distribution is maintained, and that customer confidence is upheld through audit and certification. The EPS service centre in Barendrecht, the Netherlands, received this certificate in 2017.

**Circular economy**
Looking beyond the current take–make–dispose extractive industrial model, a circular economy aims to redefine growth, focusing on positive society-wide benefits. It entails gradually decoupling economic activity from the consumption of finite resources, and designing waste out of the system (Ellen MacArthur Foundation).

**CO₂ equivalent**
A metric measure used to compare the emissions from various greenhouse gases on the basis of their global-warming potential.

**CO₂ footprint**
The total amount of greenhouse gases produced by our direct and indirect activities, expressed in equivalent tons of carbon dioxide.

**ISO 9001**
International norm addressing various aspects of quality management.

**ISO 14001**
Standard providing practical tools for companies and organisations to manage their environmental responsibilities.

**ISO 45001**
Standard for management systems of occupational health and safety (OH&S), published in March 2018. Its goal is the reduction of occupational injuries and diseases. This standard is based on OHSAS 18001, labour standards, conventions, and guidelines of the International Labour Organisation and national standards.

**OHSAS 18001**
Occupational Health and Safety Assessment Series. An internationally applied British standard for occupational health and safety management systems.

**PEFC certification**
PEFC promotes sustainable forest management through forest certification. PEFC Chain of Custody certification offers assurances that the final wood and/or non-timber product can be traced back to a sustainable source.

**Sustainable Development Goals**
A framework, agreed on by all members of the United Nations, to achieve and monitor progress across all three dimensions of sustainable development (social, environmental and economic).

**Source**
1 Fraunhofer study “The Sustainability of Packaging Systems for Fruit and Vegetable Transport in Europe based on Life-Cycle Analysis” (2017).
2 EcoVads rates and monitors the CSR practices in the supply chain, across 180 sectors and 150 countries.

**About the report**
Our first sustainability report 2017 is drafted using the quality requirements of GRI Standard (Global Reporting Initiative) as a guideline. The ambition is to publish our Sustainability report 2018 in accordance with GRI Standard level ‘core’. To do so, we focus on selecting KPI’s, implementing local activities and measuring required data. Our carbon footprint inventory is based on the Greenhouse Gas Protocol. The scope of this report is Euro Pool Group, consisting of two divisions: Euro Pool System International B.V and La Palette Rouge (LPR).
SHARING THE BENEFITS OF RETURNABLE PACKAGING

Over a period of more than 25 years, Euro Pool Group has developed into the largest logistics service provider of reusable standard packaging in Europe. A success that we share with all the parties in the chain. Each and every day producers, transporters, processing companies and retailers benefit from the advantages of our reusable trays and pallets: they are strong, always available, stackable, clean, traceable and 100% recyclable. Moreover, we are constantly working towards further standardisation and integration of our solutions within the logistics process of our customers. With a network of approximately 178 service centres in 27 countries, we ensure optimal reliability, sustainability and efficiency throughout the entire chain.